



Inclusive Community Solar Adder & Expanded Solar for All

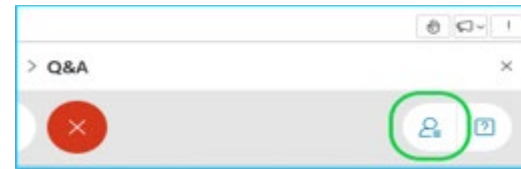
August 15, 2023



NYSERDA

Meeting Procedures

- > **Before beginning, a few reminders to ensure a smooth discussion**
 - Today's webinar is being recorded
 - A copy of the recording and presentation slides will be posted to NY-Sun's [Resources for Contractors](#) page in the "Stakeholder Meeting Updates" section.
 - Members of the public will remain muted during the webinar
 - Questions and comments may be submitted in writing using the Q&A feature at any time during the event. Questions will be answered at the end of the presentation.



- If technical problems arise, please contact Dylan Cunningham (dylan.cunningham@nyserda.ny.gov)

Agenda

- > Introduction/Background
- > Overview of Inclusive Community Solar Adder Program Rules
 - Project Eligibility
 - Incentive Levels
 - Eligible Subscribers
 - Application Submission
 - Milestones and Payments
- > Expanded Solar for All Round 2
- > Next Steps and Application Tutorial Information
- > Q&A

Background

Inclusive Community Solar Adder Overview

Goal: Increase access to community solar for low-to-moderate income (LMI) households, help people save money on their electric bills; reduce operating costs for affordable housing and nonprofits serving disadvantaged communities (DACs).

- > The Inclusive Community Solar Adder (ICSA) was approved in the May 2020 NY-Sun Order as part of the Solar Energy Equity Framework.
- > Available to projects serving low-to-moderate income subscribers, affordable housing, and other facilities serving disadvantaged communities. Higher incentives are available for projects that provide a higher bill discount and incorporate measures that increase access to community solar and demonstrate a greater commitment to the Eligible Subscribers and their surrounding communities.
- > Round 1 launched on July 20, 2021, and closed June 7, 2022. Round 2 will launch by the end of September 2023.

Round 2 Development Timeline

June 2022	ICSA closed for re-design, following the New York Public Service Commission (PSC) approving an expansion of program in April 2022.
Summer 2022	<ul style="list-style-type: none">• NYSERDA embarks on a stakeholder feedback process to design Round 2• E-SFA Round 1 RFP Opens
August 2022	<ul style="list-style-type: none">• Releases a Proposed Design for Round 2, feedback requested by October 2022• Inflation Reduction Act passes, includes Bonus ITCs for projects that support low-income customers
Fall 2022	<ul style="list-style-type: none">• E-SFA Awards Announced• NYSERDA pauses the release of ICSA Round 2, pending the release of guidance by Treasury about the Bonus ITCs planned for early 2023
March 2023	NYSERDA issues Version 2.0 of the ICSA Round 2 draft rules, based on Aug 2022 feedback and U.S. Treasury's Feb 2023 initial guidance. Feedback requested by April 2023.
June 2023	PSC releases Midpoint Review Order.
August 2023	ICSA Final Program Rules released.

Inclusive Community Solar Adder Program Rules

Presentation Structure



- > Today's presentation: deep dive into the final program rules. All the final program rules are listed in this presentation.
- > For any adjustments between the Spring 2023 proposed rules and the final rules - it will be indicated using the blue button icon.

Note: This is a presentation describing the final program rules, but this is not a binding document. If the rules published in the NY-Sun Program Manual differ from this presentation, the Program Manual controls. Contractors should read the ICSA rules in the Program Manual closely once the next revision is posted.

Project Eligibility

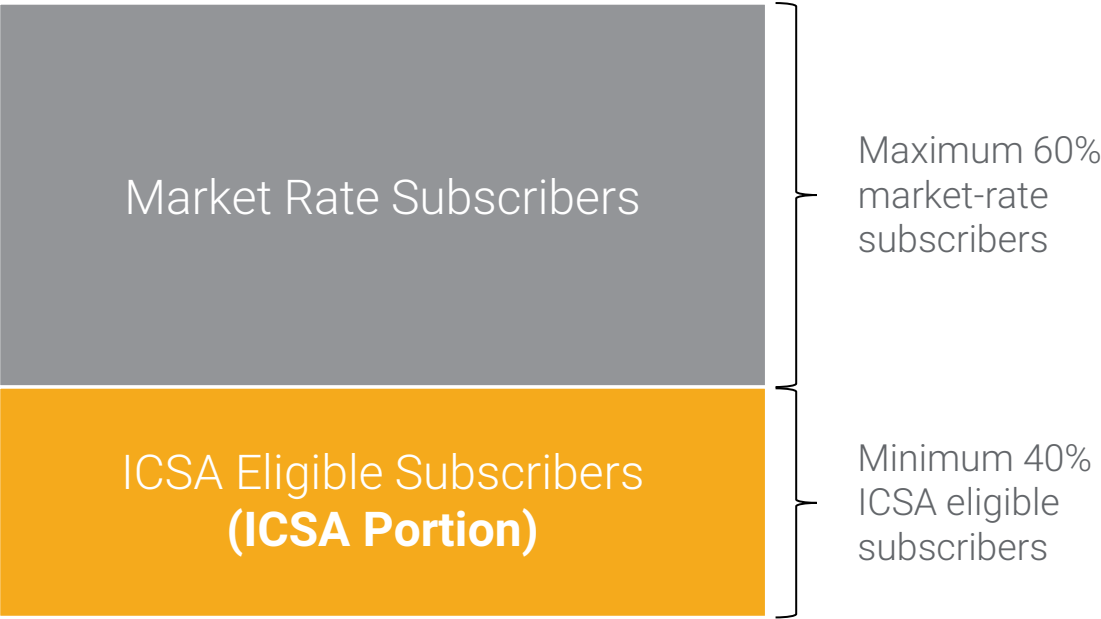
Project Eligibility

To be eligible for the ICSA, projects must meet the following:

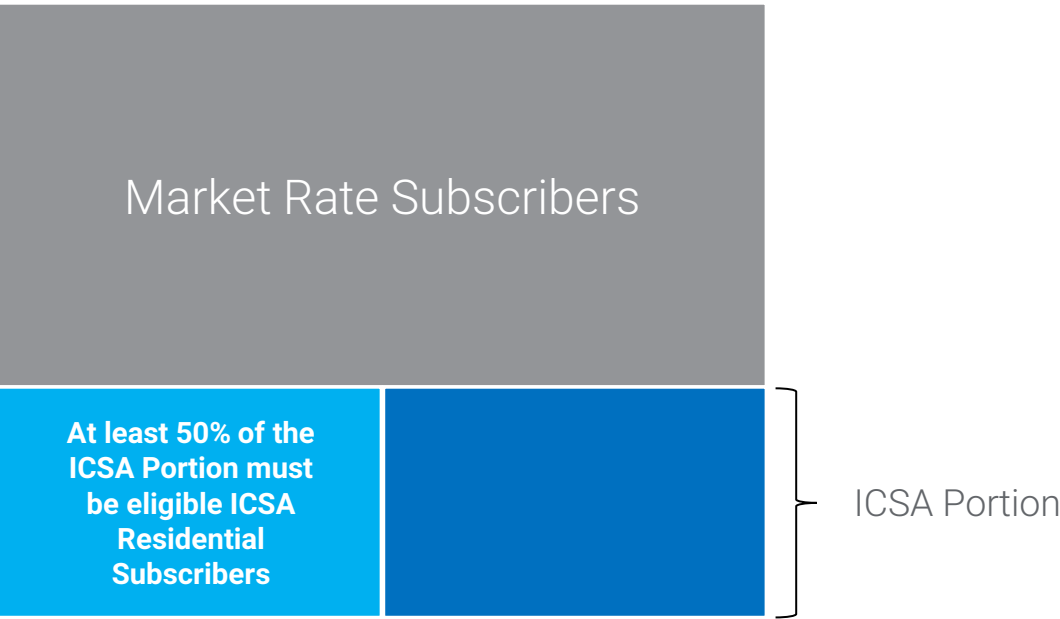
- > Be metered as CDG
- > Meet the requirements of the NY-Sun Commercial/Industrial or NY-Sun Nonresidential Program;
- > Be in “Approved” status or achieved commercial operation approval from the utility after June 7, 2022, but before the launch date.
- > Dedicate no less than 40% of the project capacity (Wdc) to eligible subscribers.
- > Dedicate no less than **50% of the ICSA portion** of the project capacity (Wdc) to eligible residential subscribers.

Project Eligibility – Target Explanations

Minimum 40% of the project capacity



50% of the ICSA Portion has to be residential subscribers



Project Eligibility (continued)

- > Projects located in the PSEG-Long Island territory are not eligible for the ICSA.
- > Projects that were awarded the ICSA in Round 1 are prohibited from withdrawing their application(s) and resubmitting for Round 2 funding levels.
 - Round 1 projects may opt-into Round 2 subscriber criteria.
- > Projects that applied for but were **not awarded** the ICSA are eligible to apply for Round 2.
- > Projects will be required to cancel their ICSA award if they are selected and choose to enroll in the Expanded Solar for All Program.

DER Supplier Registration/UBP-DERS Compliance



The Primary Contractor, customer acquisition provider, and any subcontractors interacting directly with customers must register with the Department of Public Service as DER Suppliers and comply with the Uniform Business Practices for DER Suppliers (UBP-DERS). As part of the application review process, NYSERDA will confirm with DPS that the aforementioned team members are in good standing. If any member of the project team has an Order to Show Cause; NYSERDA may pause their application review until the determinations in the cases with DPS are made.

Note: DER Registration was always a requirement, there is just a greater call-out in the 2023 rules.

Incentive Levels

Incentive Levels & Capacity: Upstate

Project Type	Adder \$/Watt	Adder Capacity Block (MW)
<ul style="list-style-type: none"> Upstate CDG project Received MW Block and/or Community Adder Minimum guaranteed discount of 10% ≥50% of ICSA capacity filled with Eligible Residential Subscribers 	\$0.10	860 MW
<ul style="list-style-type: none"> Upstate CDG project Received Phase One NEM, the Market Transition Credit, or the Community Credit Minimum guaranteed discount of 10% ≥50% of ICSA capacity filled with Eligible Residential Subscribers 	\$0.05	

Incentive Levels & Capacity: Upstate Community Benefit Projects

Project Type	Adder \$/Watt
<ul style="list-style-type: none"> Upstate CDG project that received MW Block and/or Community Adder ≥50% of ICSA capacity filled with Eligible Residential Subscribers Minimum guaranteed discount of 20% for providing 3 criteria, or 15% for providing all 5. Achieves all the requirements to qualify as a Community Benefits Project 	\$0.20
<ul style="list-style-type: none"> Upstate CDG project that received Phase One NEM, the Market Transition Credit, or the Community Credit ≥50% of ICSA capacity filled with Eligible Residential Subscribers Minimum guaranteed discount of 20% for providing 3 criteria, or 15% for providing all 5. Achieves all the requirements to qualify as a Community Benefits Project 	\$0.15

Note: Capacity will be drawn from the total 860 MW block on the previous slide.

Incentive Levels & Capacity: ConEd

**Change from
Spring 2023**

Project Type	Adder \$/Watt	Adder Capacity Block (MW)
<ul style="list-style-type: none">• Con Edison CDG Project (Community Credit or Community Adder)• Minimum guaranteed discount of 10%• ≥50% of ICSA capacity filled with Eligible Residential Subscribers	\$0.20	100 MW

Incentive Levels & Capacity: ConEd Community Benefit Projects

**Change
from
Spring 2023**

Project Type	Adder \$/Watt
<ul style="list-style-type: none">• Con Edison CDG Project• Minimum guaranteed discount of 20% for providing 3 criteria, or 15% for providing all 5.• ≥50% of ICSA capacity filled with Eligible Residential Subscribers• Achieves all the requirements to qualify as a Community Benefits Project	\$0.30

Note: Capacity will be drawn from the total 100 MW block on the previous slide.

Community Benefit Projects

Projects in the Upstate and ConEd regions can qualify as Community Benefit Projects, which are projects that provide a **higher bill discount** and **incorporate measures** that increase access to community solar and demonstrate a greater commitment to the Eligible Subscribers and their surrounding communities as discussed below. Community Benefit Projects can either provide:

- > A 20% bill discount to all eligible subscribers and meet at least 3 of the following criteria or
- > A 15% bill discount and meet all five of the below criteria.
 1. Demonstrated close partnerships with community organizations and stakeholders from the DAC local to the project site throughout the project development process, including siting, construction, and customer outreach.
 2. Workforce training and hiring commitments of priority populations or members of the surrounding DAC community, demonstrated by participating in NYSERDA's Program Opportunity Notice (PON) 3982: On the Job Training (OJT) Program.
 3. Community based or participant ownership models (detailed written plan required at time of application).
 4. Dedicated strategy to target individuals in DACs with Limited English Proficiency.
 5. Sited within a DAC and serving eligible subscribers in the surrounding community.

Bill Discount



- > Projects that receive an ICSA Award must provide at minimum a **10%** bill credit discount rate for Upstate CDG Projects and ConEd CDG Projects. Community Benefit Projects must provide an at minimum **20%** bill discount to all eligible subscribers if they meet 3 of the 5 project criteria; or at minimum at **15%** bill discount and if they meet all five of the Community Benefit project criteria.
- > The bill credit discount rate is calculated by starting with the financial benefit distributed to the ICSA eligible subscriber, subtracting all payments made by the customer to the facility owner and any related third parties as a condition of receiving that financial benefit, then dividing that difference by the financial benefit distributed to the ICSA-eligible subscriber. The financial benefit is defined as the value of the solar electricity produced from the array which is then applied as a monetary credit the ICSA eligible subscriber's bill.

Requirements for projects receiving Low-Income Communities Bonus Credits

Change from
Spring 2023

- > Projects are encouraged to apply for Low-Income Communities Bonus Credits, established under section 48(e) of the Inflation Reduction Act of 2022.
- > The project must promptly inform NYSERDA if the project receives an allocation of Bonus Credits under Category 4: Qualified Low-Income Economic Benefit Project.
- > If a project with an ICSA award receives a Category 4 allocation, NYSERDA **will not** adjust their ICSA award level. However, projects **will be required** to provide a 20% bill credit discount to **all** ICSA-eligible customers (i.e., not only those subscriptions used to establish eligibility for the tax credit).
- > Submittal of an application for Bonus Credits or an allocation of Bonus Credits in other categories will not trigger a change in the required ICSA bill credit discount rate.
- > See more: <https://www.energy.gov/diversity/low-income-communities-bonus-credit-program>

Eligible Subscribers

Eligible Subscribers

- > A project must allocate between 40% and 100% of its project capacity to eligible Residential and Affordable Housing/Nonresidential subscribers.
- > At least 50% of the project's ICSA capacity must be comprised of Residential Customers.
 - Example: 1MW project plans to fill 60% (600 kW) of its project with ICSA-eligible subscribers, 50% of the ICSA capacity (i.e., $600\text{kW} \times .5 = 300\text{kW}$) must be filled with Eligible Residential Subscribers.
- > Any individual subscriber may only be used to determine ICSA funding for a single project. The total ICSA funding that a project may claim is determined by the capacity allocated to eligible subscribers.
- > A master-metered affordable housing property may be considered an eligible residential **or** an eligible nonresidential subscriber depending on whether specific requirements are met.

Residential Subscribers

- > Residential Subscriber Definition: Any residential electric utility customer, including homeowners, renters, and residents of multifamily buildings can be eligible that meet the ICSA subscriber criteria.
- > Once a residential electric utility customer has been deemed eligible and allocated to a project, they will be considered eligible for the duration of the project, including if they choose to move within the utility service territory.
- > Eligibility for individual Residential Subscribers is using one of the following:
 - Categorical Eligibility
 - Geo-eligibility
 - Individual Household Eligibility
 - Affordable Housing Occupant Eligibility (the process will be discussed later)

Residential Subscribers: Categorical Eligibility

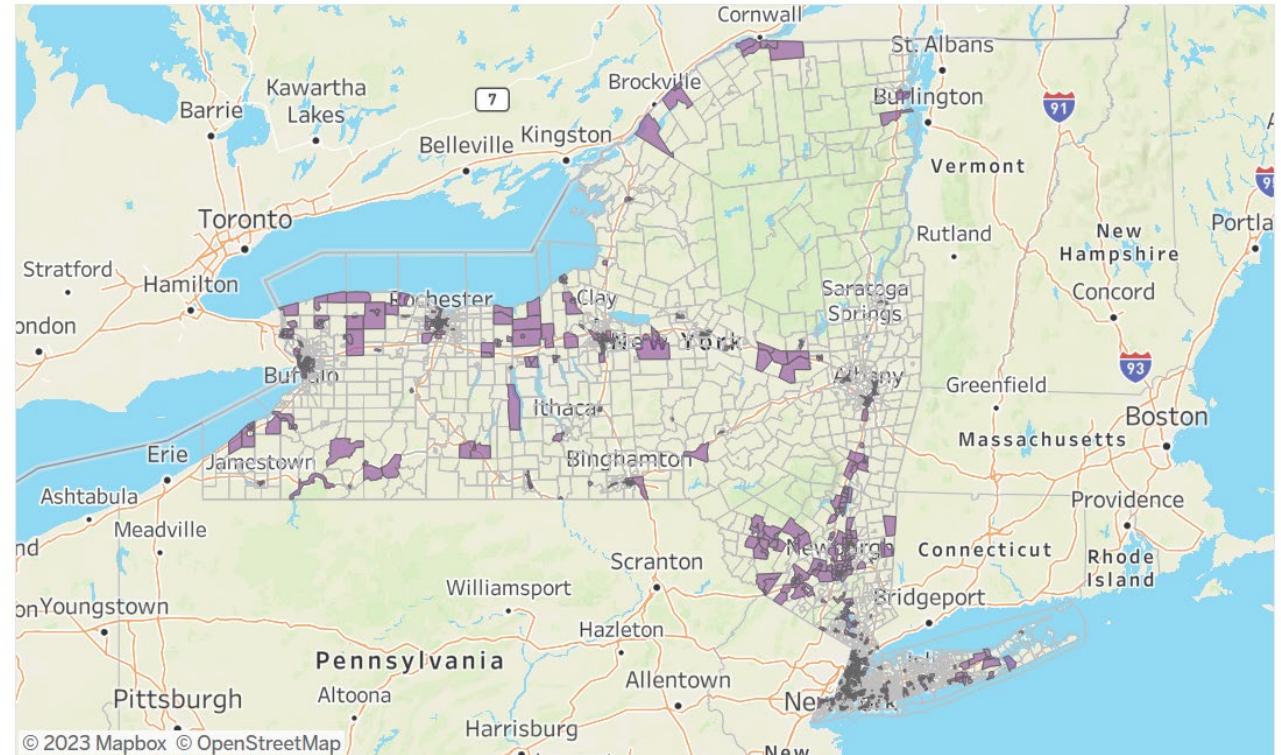
- > Subscriber eligibility is demonstrated by documented participation in one of the assistance programs listed in the Table.
- > Once a residential electric utility customer has been deemed eligible and allocated to a project, they will be considered eligible for the duration of the project, including if they choose to move within the utility service territory.

EmPower New York Award Letter	Dated within 12 months of the customer agreement signature
HEAP Award Letter	Dated within 12 months of the customer agreement signature
HEAP or Energy Utility Assistance listed on the utility bill	Utility bill must be within the past 12 months of the customer agreement signature
SNAP Award Letter	Dated within 12 months of the customer agreement signature
TANF Award Letter	Dated within 12 months of the customer agreement signature
Supplemental Social Security Income Award Letter	Dated within 12 months of the customer agreement signature

Residential Subscribers: Geo-eligibility

Residential subscriber eligibility is demonstrated with geo-eligibility by:

- > Residence in a Disadvantaged Community as defined by the Final Disadvantaged Communities Criteria (DAC criteria).
 - Final DAC map can be found at: <https://climate.ny.gov/resources/disadvantaged-communities-criteria/>
- > Residence in an *EmPower New York pre-screened area*
 - The map which shows the pre-screened areas can be found at: <https://www.nyserda.ny.gov/ny/ahp-empower/geo-eligible-income-tool>



Note: For Round 2 Projects, self-attestation is not required for customers verified through geo-eligibility. Round 1 Projects still have to collect self-attestation from their interim DAC geo-eligible customers.

Residential Subscribers: Individual Household Eligibility



- > Any residential subscriber is considered eligible if they have a documented household income under 80% of Area Median Income (AMI) or 80% of State Median Income (SMI), whichever is higher.
- > **New:** Individual household eligibility must be established by the customer by completing the Affordable Solar incentive eligibility application found at: nyscrda.ny.gov/affordable-solar

Nonresidential Subscribers

The following customers can be deemed eligible non-residential subscribers:

- > **Nonprofit/public facilities serving DACs:** Accounts serving nonprofit organizations or public facilities that 1) meet the criteria of “small” subscribers per the CDG rules (non-demand account or demand account with an average peak monthly demand of less than 25 kW), and 2) are located within and serve a designated DAC. Subscribers must be deemed qualified by NYSERDA prior to the submission of an ICSA invoice by the project.
- > **Public Schools:** Accounts serving existing public school buildings across New York State that are designated eligible for [PON 4924: P-12 Schools – Clean Green Schools Initiative](#) can be considered eligible non-residential subscribers for the ICSA.
- > **Affordable Housing:** Accounts serving common area/owner meters for eligible regulated affordable housing properties.

Affordable Housing Property Participation

All affordable housing properties seeking to be considered as eligible subscribers under the ICSA must provide proof of their affordable housing status using one of the following documents.

- > Any documentation submitted to provide proof of affordable housing status must also have the following information within the document:
 - The specific addresses covered by the document
 - The income requirements for the building residents and the number of units covered by that income requirement
- > Properties **must be deemed qualified** by NYSERDA prior to the submission of an ICSA invoice by the project.
- > Affordable Housing properties can be counted as either eligible residential subscribers or non-residential subscribers **based on their properties' characteristics** and the **specific account types**.
- > The Affordable Housing eligibility option for the ICSA is intended for community solar projects located remotely from the affordable housing subscriber. Please see the Multifamily Affordable Housing Incentive section of this Program Manual for projects that are sited at eligible affordable housing properties (i.e., a solar project on the roof of a building that is regulated affordable housing).

Affordable Housing Documentation

Change from Spring 2023

Eligibility Proxy	Details	Documentation Required
A. US HUD, USDA-RD, and other Federally Regulated LMI Housing	Properties that receive subsidies from HUD or USDA-RD based on household income may be defined as LMI, based on household income criteria detailed in the contract or award, including regulatory control or structures such as: <ol style="list-style-type: none"> 1. Project-based Section 8 2. Sections 202, 236, 811 3. Public Housing Authorities 	Copy of the HUD contract or contract award notice
B. NYS HCR-Regulated Affordable Housing	Properties with subsidized mortgages or contracts that place them under the regulatory control of HCR may be defined as LMI, based on household income criteria detailed in the HCR contract or award	Copy of HCR contract or contract award notice
C. Low Income Housing Tax Credits	Properties that receive tax credits may be defined as LMI based on household income criteria detailed in the tax credit award notice	Copy of tax credit award notice from HCR or HPD
D. NYCHPD-Regulated LMI Housing (or similar local housing agencies)	Properties with loans, mortgages, or deeds of purchase (HDFC incorporation) from NYCHPD or similar housing agencies may be defined as LMI, based on household income criteria detailed in the award documentation	Documentation of current mortgage, loan closing, HDFC incorporation, or deeds
E. SONYMA Mortgage Insurance	Properties subsidized for low- to moderate- income multi-family residents with SONYMA subsidized financing through the HFA	Copy of loan closing/mortgage insurance award documents

Update: Note that the following building types no longer qualify as ICSEA eligible subscribers in Round 2:

- > Properties that participate in NYS HFA’s 80/20 Program or similar HFA-regulated offerings
- > Properties that participate in NYC HDC’s 80/20 or Mixed Income Programs or similar HDC-regulated offerings

Affordable Housing: Non-Resi Subscribers

Nonresidential demand and non-demand accounts serving an eligible affordable housing property (i.e., building/common area meter) are considered non-residential eligible subscribers.

Master-metered affordable housing properties that are not sub-metered, are not distributing the savings, or do not qualify for a pass-through exemption will be considered **non-residential subscribers**.

Affordable Housing: Residential Subscribers

A resident of a regulated affordable housing property can be deemed eligible if:

- > the property meets the building eligibility requirements and are deemed qualified by NYSERDA
- > the residents have their own electric accounts and pay their own electricity bills
- > residence is limited to LMI households (80% AMI or below), and
- > participation in CDG will not result in increased costs (e.g., rent or common charge increase) for the residential subscriber due to the utility allowance mechanism or other policies or practices.

Master-metered Affordable Housing

Project capacity allocated to master-metered affordable housing property may be considered as eligible residential capacity **or** as eligible nonresidential capacity depending on whether specific requirements are met.

For master-metered properties to be **considered eligible residential capacity** and be counted towards the 50% residential capacity requirements, the project must demonstrate that at least half the value of community solar savings are being distributed to building residents.

Master-metered AH: Sub-metered properties

For master-metered properties to be **considered eligible residential subscribers** and be counted towards the required residential capacity, the following additional information must be demonstrated.

For properties where residents are sub-metered:

- > Specify how the required bill discount or its equivalent, will be provided to building residents who are considered eligible residential subscribers.
- > The savings that each resident will receive must be equivalent to what they would receive had they signed up for community solar themselves.
- > If requested by NYSERDA, the building is required to demonstrate evidence of the savings being applied to accounts of the sub-metered building occupants.

Master-metered AH: Properties that are not sub-metered



For properties where residents are not sub-metered:

- > For a community solar allocation to a master-metered affordable housing property to be considered eligible residential capacity for the ICOSA, the project must demonstrate how part of the value will be distributed to building residents.
- > **New:** A minimum of 50% of the value of the community solar savings/net credits from the community solar allocation to the master meter must be distributed to building residents.
- > The value must be distributed per applicable HUD guidance in a manner that does not negatively impact building residents' utility allowances and/or annual income for rent calculations.
- > See more:
www.hud.gov/sites/dfiles/Housing/documents/MF_Memo_re_Community_Solar_Credits_in_MM_Buildings.pdf

Master-metered AH: Properties that are not sub-metered

Demonstration of value distribution: The required distribution of value to building residents can be demonstrated with the following documentation:

- > A Benefits Sharing Statement at the time of application indicating the building's commitment to distribute no less than 50% of the value of the community solar savings/net credits to residents, estimating the total value that will be distributed to residents, and describing the HUD-compliant mechanism that will be used for distribution.
- > At the time of milestone submission, an affidavit from the affordable housing property that the Benefits Sharing Statement has been implemented.

NYSERDA reserves the right to request asset management reports, receipts, or other accounting documentation that demonstrates how the required value has been distributed.

Distribution Exemption: HDFCs and MHAs



Master-metered properties that are categorized as Housing Development Fund Corporation (HDFCs) and Mutual Housing Association (MHAs) cooperatives can apply for an exemption from demonstrating distribution of value and still be considered eligible residential subscribers provided they can demonstrate the following:

- > They have an HDFC regulatory agreement with NYC Housing and Preservation Development (HPD) or NYC Housing Development Corporation (HDC) demonstrating that all of their residents are low to moderate income as defined by the ICSA.
- > They have an official document that demonstrates the building is cooperatively owned by all residents.

No more distribution exemption for rent-regulation MM properties



- > Round 2 ICSA will not have an exemption for non-cooperatively-owned, rent-regulated, Master-metered properties to provide pass-through and still be considered eligible residential subscribers.
- > HUD guidance released in April 2023 provides significant flexibility on how such properties can distribute the financial value of the community solar subscription to their residents.

Application Submission & Review

Submitting a Project Application

- > Projects that are in the Commercial/Industrial or Nonresidential incentive program with an "Approved", "Submitted", or "Received" status may prepare and submit an ICSA application through the [NYSERDA Portal](#).
 - For Projects with a "Submitted" or "Received" status, the ICSA will not be approved (and its review will be deprioritized) prior to the approval of the associated NY-Sun project.
- > Projects that are in the Commercial/Industrial or Nonresidential incentive program and achieved commercial operation approval from the utility after June 7, 2022, but before the launch date may also prepare and submit an ICSA application through the [NYSERDA Portal](#).
 - Projects that already achieved commercial operation must follow the Round 2 Rules

Submitting a Project Application

- > An ICSA application may only be submitted by the NY-Sun Participating Contractor for the associated project, and the same Payee must be used for the ICSA as all other NY-Sun incentives for the project.
- > A Full Assignment or Payment Assignment of the associated NY-Sun project application will result in the same assignment of the ICSA application.
- > Contractors that plan to sell their project are **encouraged to notify NYSERDA early** in the process to ensure an expedient assignment process.
- > Application Guide has been updated for Round 2 and will be posted on NY-Sun's [Resources for Contractors](#) page.

Portfolio Project Submission

Contractors must use the Portfolio Submission process (outlined below) if they plan to use the same acquisition provider, subscription manager, acquisition strategy and customer engagement protocol for multiple projects. With the Portfolio Submission process, a contractor first submits one complete application (known as the Primary Application) to be reviewed by NYSERDA. Once that application is reviewed and approved, the contractor will be allowed to submit other applications (known as Subsequent Applications) that use the same acquisition provider, subscription manager, acquisition strategy, and customer engagement protocol as the Primary Application.

- > Step 1: Contractor submits the Primary Application in the NYSERDA Portal, including all the required Application Elements outlined in the table below.
- > Step 2: NYSERDA will review the Primary Application and the required Application Elements and conduct a review call if needed.
- > Step 3: NYSERDA will make a determination of approve, reject, or modify and notify the applicant.
 - Once the Primary Application is approved and awarded, the contractor can then submit Subsequent Application(s) and the required Application Elements.
- > Step 4: NYSERDA will review the Subsequent Application(s) and the required Application Elements and conduct a review call if needed.

Application Elements

All required elements must be submitted in the ICSA application. Applications missing any elements **may be rejected outright.**

	Primary Application	Subsequent Application
The application number of the associated NY-Sun project.	X	X
The actual Community Distributed Generation Disclosure Form for the project that a customer will be subject to.	X	X
The actual residential subscriber contract that a customer will be subject to. All residential subscription contracts for allocation capacity receiving the ICSA must meet the following requirements: <ul style="list-style-type: none"> • Compliance with all terms of the UBP-DERS, and • Guaranteed savings (discount) rate of no less than 10% for Upstate projects and 15% for ConEd projects. 	X	X
For projects that achieve commercial operation after June 7, 2022 but before the launch date of ICSA Round 2: the initial allocation report and the initial host summary report for the project(s).	X	X
For projects that achieve commercial operation after June 7, 2022 but before the launch date of ICSA Round 2: Letter confirming commercial operation from the utility.	X	X

Application Elements (continued)

All required elements must be submitted in the ICSA application. Applications missing any elements **may be rejected outright.**

	Primary Application	Subsequent Application
An affidavit signed by the primary contractor and the subscription provider confirming they have entered a contract for working together on the ICSA projects. The affidavit must clearly demonstrate the relationship between the primary contractor and the subscription provider, and the roles and responsibilities for each one of them from the ICSA Project. <ul style="list-style-type: none"> There cannot be multiple possible customer acquisition providers per application. One acquisition provider must be selection prior to application submission. 	X	X
A list of all the projects (including the NY-Sun application number, their site address, kW capacity, and utility) that will be submitted subsequently as part of the portfolio.	X	
A Marketing & Implementation Plan	X	
Example Marketing Materials , including doorhangers, one-pagers, fact sheets, advertising, and screen captures of web advertising.	X	
Customer experience demonstration: A video screen-capture of the journey that a customer experiences as they sign up for the community solar product. NYSERDA may request a dummy log-in to experience the customer sign-up process if the video does not sufficiently capture the experience.	X	
Subsequent Application Attestation		X

Marketing and Implementation Plan

Contractors must submit a Marketing & Implementation Plan as part of their Primary Application. Use of the Marketing & Implementation Plan Form is required and available at: nysenda.ny.gov/solar-contractor-resources.

Marketing and Implementation Plan Sections:

- > Team Experience
- > Marketing and Sales Strategy
- > Customer Engagement
- > Door to Door Sales

Note: the M&I form has been updated for the Round 2 requirements and is different from Round 1. It will be released at program launch.

M&I Plan: Door to Door Sales



Customer acquisition strategies will be allowed to use door-to-door sales if the following criteria are met. This information must be described and shared at the time of the application.

- > Contractor is in good standing with DPS
- > The project's customer acquisition team has a system in place that will easily identify which of their contractors and/or sales associates are in the field at what time, so that it will be possible to determine responsibility in the event of a customer complaint
- > A signature is collected from the customer when the customer elects to sign up for the community solar project. A record of the customer signature from online or paper sign up must be stored for at least five years
- > If a customer signs up via door-to-door or over the phone, the project's customer acquisition team is required to call the customer after the interaction and get verbal confirmation from the customer of their interest in signing up for the community solar product.
 - **Clarification:** This phone call must happen after the customer signs up via door-to-door and before the customer is assigned to a project.
 - The recording of the post-signup confirmation call must be stored for at least five years.
- > Contractor must list all the subcontractors that are working in the field for the ICSEA. If those contractors change, those updates must be submitted to NYSERDA before the new subcontractor begins working in the field.

Project Application Review

- > Primary Applications will be reviewed in the order that they are received until all available funding is fully committed. Should NYSERDA have questions or concerns regarding the supporting materials, NYSERDA may request a review meeting to address as such regarding the supporting materials.
- > Completed Primary Applications without missing materials or incomplete information, will be processed for an award within **60 days of application submission.**
- > Applications without an identified acquisition team and strategy may be rejected with no additional opportunity to cure the Applications. NYSERDA reserves the right to reject any application that is missing details or elements, at any point during the application review period and without conducting a review call. Applications that are rejected can reapply but will be queued with a new application date.
- > For the Subsequent Application: NYSERDA may reject subsequent applications even if the Primary Application is approved if the project team fails to prove that they can achieve the applied-for targets due to the size of the portfolio.

Project Changes

The contractor must notify NYSERDA of one or more of the following changes that may occur after NYSERDA's approval of a Primary or Subsequent Application.

- > Change in the acquisition provider.
- > Change in the subscription manager.
- > Changes to the terms of the customer subscription contract or the CDG Disclosure Form.
- > Substantial outreach strategy changes from what was listed in the application. This includes the inclusion of tactics not outlined in the Marketing and Implementation Plan, and a significant change in messaging in the marketing materials.
- > The Eligible Subscriber Target mix differs from what was listed in the application.

Project changes must be made through the Request for Modification process in the NYSERDA Portal as soon as they occur. Upon receipt of the Request for Modification, NYSERDA will assess if the project continues to be eligible for the ICSA incentive. Failure to make NYSERDA aware of the changes prior to the first invoice or subsequent invoice submissions may result in rejecting the invoice(s) or cancellation of the award.

NYSERDA reserves the right to require resubmission of Application Elements and may rescind the award if the changes fail to meet the requirements of the ICSA.

Round 1 ICSA Awards Using Round 2 Eligible Subscriber Criteria

ICSA Round 1 Projects are permitted to use the Round 2 Eligible Subscriber Criteria (i.e., the Round 2 rules around qualifying residential, nonresidential, and affordable housing subscribers) provided they agree to the following additional terms for their Round 1 awards.

- > Compliance with the additional criteria required to perform door to door sales
- > Adherence to the requirements of long-term subscriber make-up
- > Adherence to any adjustments that Round 2 Projects are subject to if they receive Bonus ITC.

Round 1 Projects interested in opting into the Round 2 Eligible Subscriber Criteria will be required to submit an Opt-in Request for NYSERDA's consideration and approval prior to submitting their first invoice.

Milestones and Payments

Milestone Submission

- > Projects must submit and have their milestone documentation approved prior to submitting invoices. Milestone deliverables are submitted through the NYSERDA Portal.
- > In some cases, NYSERDA may set up a secure sharing site for sharing additional documentation. Milestone documentation cannot be shared over email.
- > Contractors must use the ICSA Subscriber Form to submit a spreadsheet of all eligible subscribers, including name, address, utility account number, allocation, discount rate, preferred contact information, and method used by the Contractor to determine subscriber eligibility. The ICSA Subscriber Form can be found at nyserdera.ny.gov/solar-contractor-resources.
- > Contractors may submit for NYSERDA review and pre-approval a draft ICSA Subscriber Form prior to invoicing. The draft form may be submitted at any time, but NYSERDA will only review a draft form one (1) time for each invoice. Additional reviews may be provided at NYSERDA's discretion.
- > Projects that include affordable housing properties and their residents as eligible subscribers must also submit the documentation listed in the Affordable Housing Property Participation section **at the time of milestone submission.**

Milestone & Payment Submission Schedule

	Milestone 1	Milestone 2	Milestone 3
Timing	first month of credits that are going to a customer	first month of the second year of operation (i.e., 13 th month of operation)	first month of the third year of operation (i.e., 25 th month of operation)
Required Deliverables	<ul style="list-style-type: none"> ○ ICSA Subscriber Submission Form (see below) ○ CDG Initial Allocation Form ○ Documentation of utility acceptance of Initial Allocation Form ○ Utility CDG Host Allocation Report for the initial allocation period. 	<ul style="list-style-type: none"> ○ ICSA Subscriber Submission Form ○ CDG Monthly Allocation Form for the first month of the second year of operation ○ Documentation of utility acceptance of the form ○ Utility CDG Host Allocation Report for the allocation period. 	<ul style="list-style-type: none"> ○ ICSA Subscriber Submission Form ○ CDG Monthly Allocation Form for the first month of the third year of operation ○ Documentation of utility acceptance of the form ○ Utility CDG Host Allocation Report for the allocation period.
Payment Installment	Upon project completion (defined as payment of the Commercial Operation invoice for the associated NY-Sun project by NYSERDA) and acceptance by NYSERDA of the required Milestone 1 documentation submitted by the Contractor	Upon the first anniversary of project completion and acceptance by NYSERDA of the required Milestone 2 documentation submitted by the Contractor	Upon the second anniversary of project completion and acceptance by NYSERDA of the required Milestone 3 documentation submitted by the Contractor
Calculation	<i>First Payment = Actual capacity allocated to eligible subscribers (as documented in invoice) * incentive rate * 50%</i>	<i>Second Payment = Actual capacity allocated to eligible subscribers (as documented in invoice) * incentive rate * 25%</i>	<i>Third Payment = Actual capacity allocated to eligible subscribers (as documented in invoice) * incentive rate * 25%</i>

Milestone & Payment Submission Schedule (continued)

- > The total amount invoiced across all three payments may not exceed the total system size capacity of the corresponding NY-Sun project at the time of ICSA application. No payment in any amount will be made on any invoice where the minimum allocation requirement for eligible residential subscribers is not met (no less than 50% allocated to eligible residential subscribers).
- > If the minimum requirements are not met at Commercial Operation, the ICSA award will be cancelled, and the Contractor will not be able to invoice for future payments for that project.

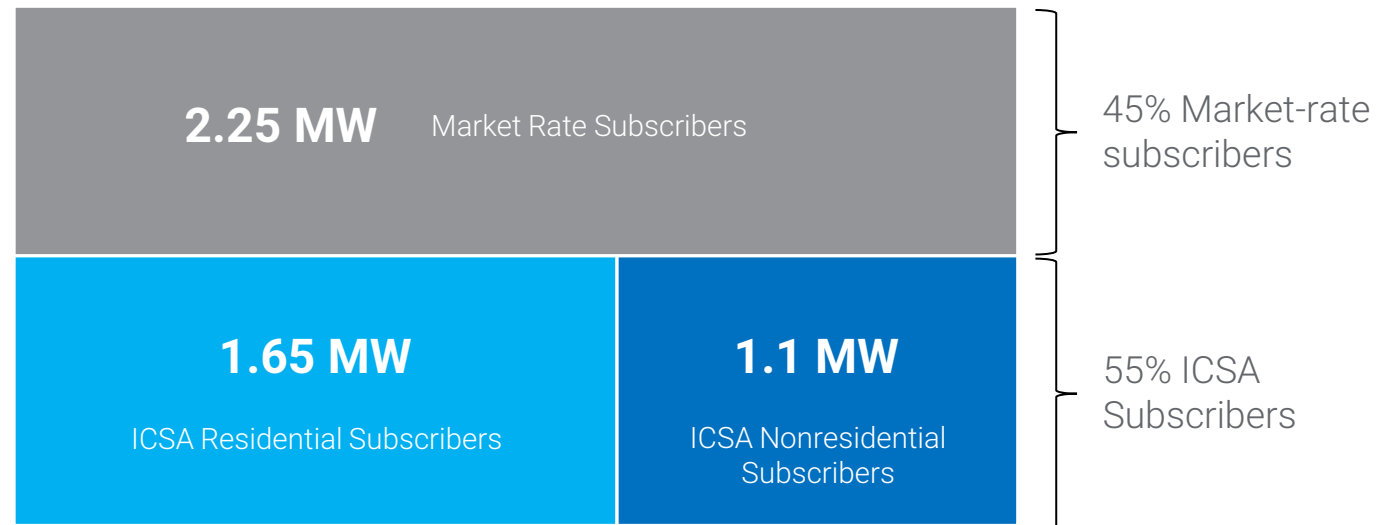
ICSA Funding Amount

- > Each approved ICSA application will be contracted with a 40-60% Eligible Subscriber Target.
 - Award Letter Funding Amount Calculation: ICSA incentive rate * 60% of the CDG project's total capacity
- > Contracted Projects that allocate more than 60% of their project capacity to Eligible Subscribers are eligible to receive additional funds at the ICSA rate for the applicable project type for that additional capacity, pending fund availability.

Project Funding: Example 1

Scenario A:

- > A project allocates 40% to 60% of the project capacity to eligible subscribers.
- > At least 50% of those eligible subscribers are Eligible Residential Subscribers.



Example First Invoice Payment

$$5,000,000 \text{ Wdc} * 55\% * \$.10/\text{W} * 50\% = \$137,500$$

Funding Adjustments for High Performance



- > Contracted Projects that allocate more than 60% of their project capacity to Eligible Subscribers are eligible to receive additional funds at the ICSA rate for the applicable project type for that additional capacity, pending fund availability.
- > If a project allocate >60% with Eligible Subscribers, NYSERDA will increase the project's overall award to the next higher band of eligible subscriber target. The project will then be eligible to get up to what that higher band is for the rest of the project. Project can only receive this award increase if they achieve the higher allocation at commercial operation.
- > In the event that there are no additional funds available for projects that allocate more than 60% of their capacity to eligible subscribers and a project achieves that, NYSERDA will pay for the actual allocation of dedicated subscribers until the award is exhausted.

Project Funding: Example 2

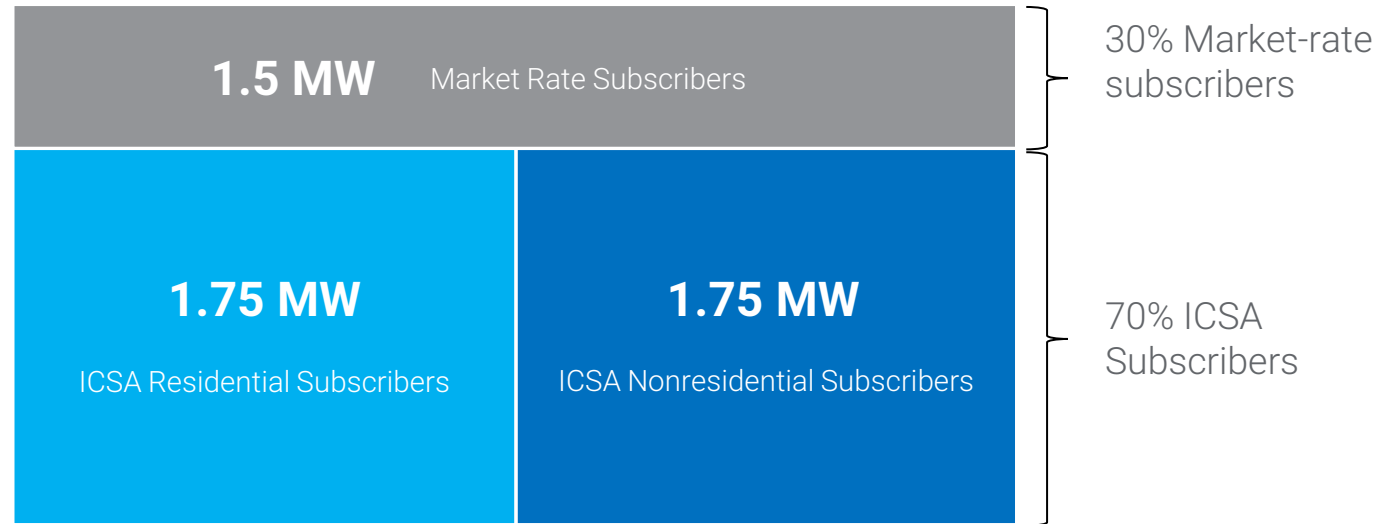
Scenario B:

- > A project allocates more than 60% of the project capacity to eligible subscribers prior to **commercial operation**.
- > At least 50% of those eligible subscribers are Eligible Residential Subscribers.

Invoice Payout:

- > Project will be paid based on the actual allocation to eligible subscribers.

Payout for Actual Targets Achieved



Example First Invoice Payment

Awarded amount:

$$5,000,000 \text{ Wdc} * 60\% * \$0.10/\text{W} * 50\% = \$150,000$$

Additional Capacity from High Performance Fund:

$$5,000,000 \text{ Wdc} * 10\% * \$0.10/\text{W} * 50\% = \$25,000$$

Total: \$175,000

Project Funding: Example 2 (continued)

Award Amount Adjustment:

- > Projects are eligible to receive additional funds at the ICSA rate for the applicable project type for that additional capacity, pending fund availability.
- > Because this project allocated >60% with Eligible Subscribers, NYSERDA will increase the project's overall award to the next higher band of eligible subscriber target.
 - In this example, the project EST will go from 40-60% to 60-80% because 70% of the project is filled with Eligible Subscribers.
- > The award amount would be adjusted in the NYSERDA portal and in the award letter.

Original Award Amount (40-60% EST)

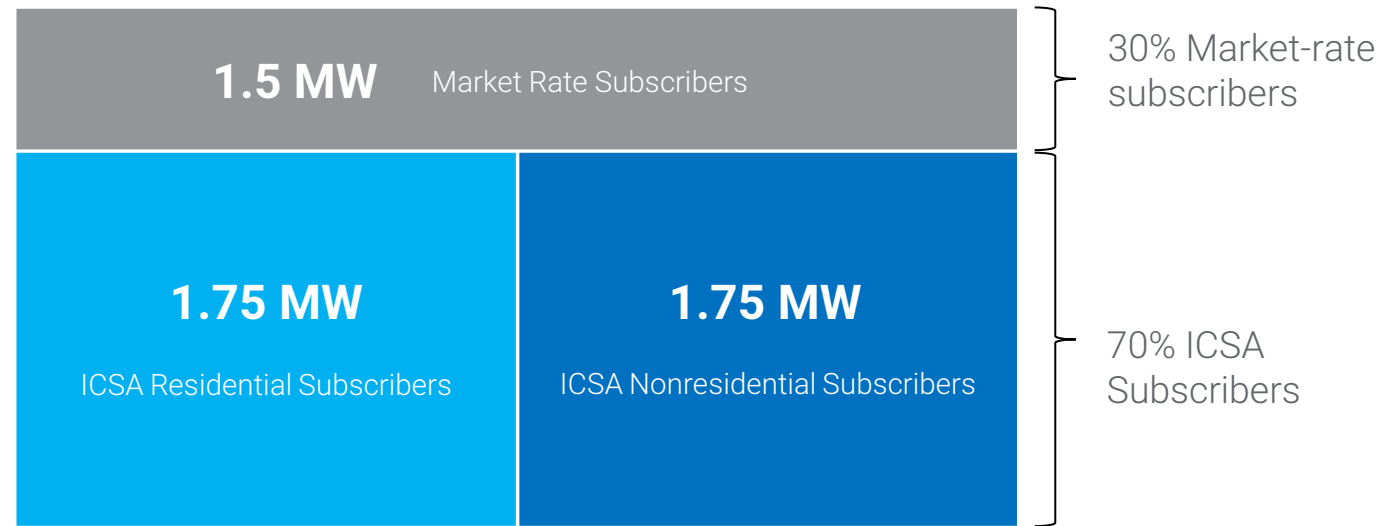
$$5,000,000 \text{ Wdc} * 60\% * \$.10/W = \$300,000$$

Updated Award Amount (60-80% EST)

$$5,000,000 \text{ Wdc} * 80\% * \$.10/W = \$400,000$$

Project Funding: Example 3

- > A project allocates more than 60% of the project capacity to eligible subscribers prior to **commercial operation**.
- > At least 50% of those eligible subscribers are Eligible Residential Subscribers.
- > NYSERDA is out of money in the High Performance fund.



Award Amount

$$5,000,000 \text{ Wdc} * 60\% * \$.10/W = \$300,000$$

Project Funding: Example 3 (continued)

Invoice Payout:

- > Project will be paid based on the actual allocation to eligible subscribers, until the funds on the project award are exhausted

Award Amount

$$5,000,000 \text{ Wdc} * 60\% * \$.10/W * 50\% = \$300,000$$

	Payment 1	Payment 2	Payment 3
% of Eligible Subscribers	70%	70%	70%
Calculation	$5,000,000 \text{ Wdc} * 70\% * \$.10/W * 50\%$	$5,000,000 \text{ Wdc} * 70\% * \$.10/W * 25\% = \$87,500$	$\$300,000 - \$262,500$
Dollar Payout	\$175,000	\$87,500	\$37,500

Project Funding: Example 4

Scenario C:

- > A project allocates more than 40% of project capacity to eligible subscribers.
- > Less than 50% of those customers are Eligible Residential Subscribers.

Payout:

- > If a project is unable to achieve a minimum residential subscriber portion of 50%, the ICSA payment will be recalculated and paid based on the residential portion achieved.

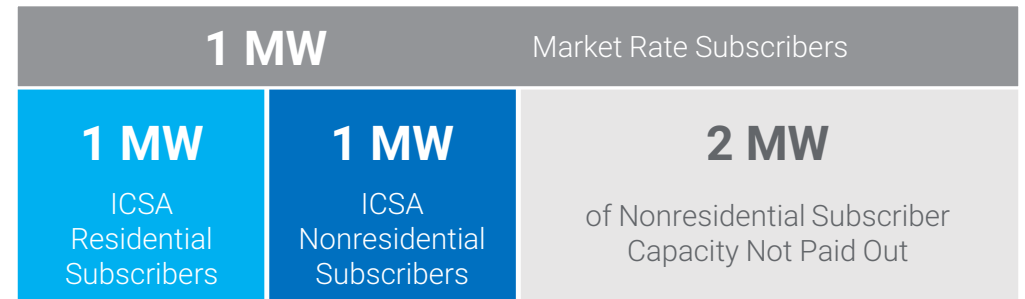
For Example:

If a 5 MW project fills 1 MW with residential ICSA subscribers and 3 MW with nonresidential ICSA subscribers, NYSERDA would only payout double of what was achieved for the residential ICSA subscribers achieved. (1 MW * 2 = 2 MW).

Actual Targets Achieved



Payout for Actual Targets Achieved



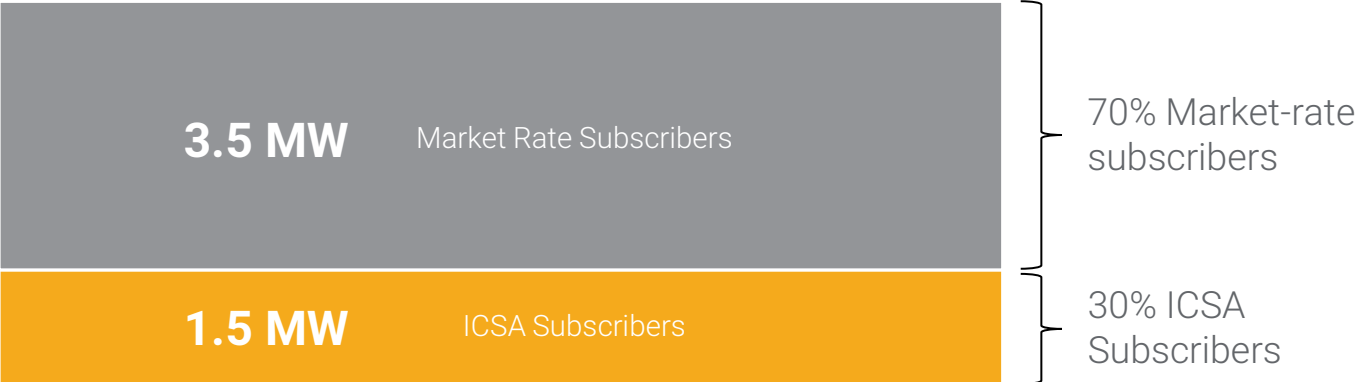
Example First Invoice Payment

$$5,000,000 \text{ Wdc} * 40\% * \$0.10/\text{W} * .50 = \$100,000$$

Project Funding: Example 5

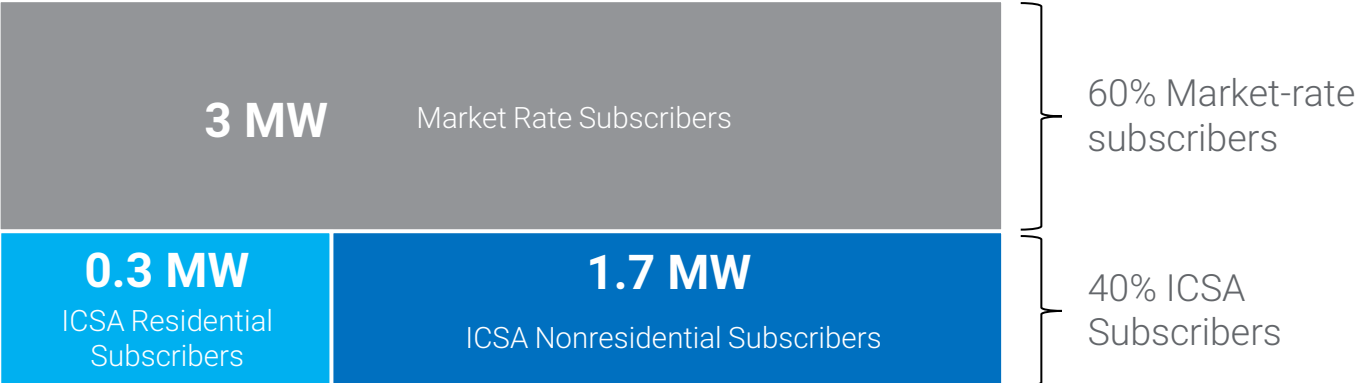
Scenario D:

- > A project allocates less than 40% of project capacity to eligible subscribers; or less than 20% of project capacity to eligible residential subscribers.



Payout:

- > If a project is unable to achieve the minimum eligible subscriber target of 40% it would be deemed ineligible for the ICSA and **would not be paid.**



Subscriber Eligibility Documentation and Reporting

Contractors must maintain subscriber eligibility documentation and provide that documentation to NYSERDA upon request. Documentation must be maintained in compliance with the NY-Sun Program Participation Agreement. NYSERDA will conduct periodic audits of eligible subscriber documentation on a sample of projects receiving the ICSA, and NYSERDA will periodically survey participating eligible subscribers for the purpose of program evaluation.

Contractors must track the project's retention of eligible subscribers for two additional years beyond the third invoice payment (i.e., through the first month of the fifth year of operation/49th month of operation); and must report retention information, documented by CDG Host Allocation Reports, to NYSERDA upon request.

Long-Term Subscriber Make-up

Contractors are required to ensure that a project receiving the ICSA maintains the same or greater percentage of ICSA-eligible customers as documented in the project's Milestone 3 submittals, and the same bill discount rate for those customers, for at least 25 years.

Contractors must submit documentation that the project still contains ICSA-eligible subscribers upon request within 45 days of a request from NYSERDA. This documentation must take the form of the milestone documentation required for invoicing (see above) for the most recent allocation cycle.

If NYSERDA determines that the same or greater percentage of subscribers and same bill discount was not maintained, the project will have 180 days to remedy and resubmit documentation. (If the discrepancy is less than 5%, the project will not be required to remedy. Projects that are unable to remedy will be required to return a portion of the ICSA funding paid by NYSERDA, calculated based on a pro-rata share of a 25-year term over which the project was not an ICSA-eligible project.

Projects that choose to reconfigure so that they no longer qualify for the ICSA will require a return of the ICSA incentive funding from Contractor or their successor, calculated based on a pro-rata share of a 25-year term over which the project was not an ICSA-eligible project.

If a project is reconfigured so that it no longer qualifies as an ICSA project and fails to notify NYSERDA, the project will be required to return their incentive funding using the calculation described above, and may subject the contractor to disciplinary action, which may include contractor probation, suspension, or termination from the NY-Sun program; suspension from submittal of new ICSA applications.

Misrepresentation of subscriber eligibility or any other submission of the application may result in the project and/or contractor being removed from the ICSA program and the NY-Sun program. If NYSERDA determines that a subscriber is not eligible, the contractor may not enforce any penalties on a subscriber, including but not limited to removal from the project.

E-SFA Round 2 Preview

Expanded Solar for All: Round 2

- > Expanded Solar for All (E-SFA) is a program jointly run by National Grid and NYSERDA to provide community solar and associated guaranteed bill savings to customers participating in the National Grid's Energy Affordability Program
- > The Public Service Commission has approved up to 300 MW of community solar capacity to participate in E-SFA: the first round of the E-SFA RFP selected 120.5 MW of community solar, the second round will select up to 179.5 MW
- > NYSERDA will manage the RFP process, which will open in late August/early September, with notification of selection anticipated by late October/early November
- > **Projects enrolled in E-SFA may not receive the ICSA**, and project owners submitting bids to E-SFA are encouraged to wait until notification of selection/non-selection before submitting an ICSA application for the same project

Expanded Solar for All: Round 2

- > Projects will bid a Compensation Level as a % of total Value Stack compensation, and the lowest bids will be selected up to the maximum allowed capacity (179.5 MW)
- > Selected projects will enroll in National Grid's E-SFA tariff and be paid directly by National Grid for all production for 25 years
- > Anticipated changes from Round 1:
 - Maximum allowed Compensation Level bid increased to 89% (i.e., minimum discount to Value Stack compensation of 11%)
 - No additional NY-Sun incentives offered (projects keep NY-Sun base incentive and Community Adder)
 - If a selected project receives an allocation of Category 4 Bonus Credits, its Compensation Level will be automatically decreased to 79% (i.e., discount to Value Stack compensation of 21%)

Next Steps

Round 2 Development Timeline

June 2022	ICSA closed for re-design, following the New York Public Service Commission (PSC) approving an expansion of program in April 2022.
Summer 2022	<ul style="list-style-type: none">• NYSERDA embarks on a stakeholder feedback process to design Round 2• E-SFA Round 1 RFP Opens
August 2022	<ul style="list-style-type: none">• Releases a Proposed Design for Round 2, feedback requested by October 2022• Inflation Reduction Act passes, includes Bonus ITCs for projects that support low-income customers
Fall 2022	<ul style="list-style-type: none">• E-SFA Awards Announced• NYSERDA pauses the release of ICSA Round 2, pending the release of guidance by Treasury about the Bonus ITCs planned for early 2023
March 2023	NYSERDA issues Version 2.0 of the ICSA Round 2 draft rules, based on Aug 2022 feedback and U.S. Treasury's Feb 2023 initial guidance. Feedback requested by April 2023.
June 2023	PSC releases Midpoint Review Order.
August 2023	ICSA Final Program Rules released.

Walkthroughs and Materials

We will have the following materials and walkthroughs posted on NY-Sun's [Resources for Contractors](#) page in the "Inclusive Community Solar Adder Resources" section at the time of launch.

Step-by-Step Guides/Video Walkthroughs

- > Application Walkthrough
- > Marketing and Implementation Plan Walkthrough
- > Milestone and Invoicing Process

Templates for Round 2 Projects

- > Round 2 Marketing & Implementation Plan
- > Subsequent Application Attestation
- > Round 2 Subscriber Submission Form

Templates for Round 1 Projects

- > Round 1 Marketing & Implementation Plan
- > Self-Attestation Form
- > Subscriber Submission Form
- > Opt-in Request to Round 2 Subscriber Criteria

Thank you!

Questions?

Please use the Q&A feature in WebEx to submit a question.

APPENDIX

Community Benefit Project: Criteria Details

Demonstrated close partnerships with community organizations and stakeholders from the DAC local to the project site throughout the project development process, including siting, construction, and customer outreach.

A close partnership must be demonstrated using the following:

- > A letter or email from community organizations within the DAC that verifies participation in the project development process and details at what level and how long they have been involved.
- > A memorandum of understanding between the project team and the community organization(s) from within the DAC outlining the activities that they are part of in the project development process.

Note: A project in which the partnership with a community organization is limited to conducting customer acquisition/outreach does not qualify for this criterion.

Community Benefit Project: Criteria Details

Workforce training and hiring commitments of priority populations or members of the surrounding DAC community.

- > Projects can demonstrate commitment by participating in NYSERDA's Program Opportunity Notice (PON) 3982: On the Job Training (OJT) Program.
- > Projects must receive an acceptance of a Business Application and submission and acceptance of New Hire Applications from Priority populations as defined by the PON.

Community Benefit Project: Criteria Details

Community based or participant ownership models:

The contractor must submit a written summary that outlines the following:

- > If and how the project will be owned by DAC stakeholders or a community organization that serves a DAC. Detail if it will be full ownership, majority stake, or another model.
- > Details on how the project profits, including how the profit will be collected, stored, and distributed.
- > Details on what the governance structure will be for the projects and its monetary and non-monetary benefits, including ownership, control, and voting rights for all parties.

Community Benefit Project: Criteria Details

Dedicated strategy to target individuals in DACs with Limited English Proficiency.

- > Submission of marketing materials, contracting materials and customer service protocol that demonstrate reasonable support for this customer segment.

Community Benefit Project: Criteria Details

Sited within a DAC and serving eligible subscribers in the surrounding community:

- A. All capacity must be dedicated to subscribers from the surrounding community, defined as
 - i. For ConEd Projects: within a 1-mile radius of the project site address
 - ii. For Upstate Projects: the same or adjacent census tract[s] of the project site address
- B. At least 60% of project capacity must be dedicated to eligible residential subscribers